

The Rt Hon Liam Byrne MP
Chair, Business and Trade Committee
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Dear Liam,

I am writing to inform the Committee that today the Government has laid Secondary Legislation which will make it a requirement for large businesses to include headline payment performance information in their directors' reports.

The Government is committed to tackling late payments. Being paid on time is critical for business resilience, investment and growth. Readily available cash helps businesses increase capital, take advantage of new opportunities, and improve skills. However, across all sectors and regions, UK businesses are being paid late for the goods and services they deliver every day.

This legislation which will require large companies across the UK to include their headline payment information in their Directors' Reports, further increases transparency around the payment practices of large businesses and brings them to the attention of their boards, improving accountability.

This is part of a suite of measures that we are undertaking, which also includes the new Fair Payment Code delivered by the Small Business Commissioner, and a public consultation which will be launched soon which includes proposals around how we can go even further to tackle late payments through legislation.

Yours sincerely,



GARETH THOMAS MP
Minister for Services, Small Business and Exports
Department for Business and Trade